



ANNUAL COMPLIANCE QUESTIONNAIRE OWNERSHIP AND OFFICER INFORMATION

Plan name	Alerus account number
Company name	Plan year end

1 – EMPLOYER CONTRIBUTIONS

Generally, your annual employer non-elective profit sharing contribution or employer match contribution must be contributed to the plan by your organization's federal tax return filing date, including any applicable extensions. Year-end compliance testing cannot be prepared until your contribution is paid. **Please check the appropriate box(es) below and complete any requested information.**

NON-ELECTIVE PROFIT SHARING CONTRIBUTION

- No – we will **not** make an annual employer non-elective profit sharing contribution this year.
- Yes – we will make an employer non-elective profit sharing contribution by _____ (date).
- The contribution amount will be \$ _____ or _____ % of eligible payroll for the plan year.
- Amount is to be determined.

Who is to calculate the allocation? Choose one.

- Alerus will calculate the allocation and submit to us for verification by _____ (date).
- We will calculate the allocation and submit to Alerus for deposit to participant accounts.

MATCH CONTRIBUTION

- No – we will **not** make an employer matching contribution this year.
- Yes – we made matching contributions throughout the plan year. The formula for the plan year just ending was:
- _____ % of salary deferrals up to contributions not exceeding _____ % of compensation.
- Based on the fixed matching formula stated in the plan.
- Yes – We will make an annual matching contribution by _____ (date). The contribution amount will be:
- \$ _____ or _____ % of salary deferrals up to contributions not exceeding _____ % of compensation.
- _____ % of salary deferrals up to a maximum salary deferral of _____ %.
- Based on the fixed matching formula in the plan.

Who is to calculate the allocation? Choose one.

- Alerus will calculate the allocation and submit to us for verification by _____ (date).
- We will calculate the allocation and submit to Alerus for deposit to participant accounts.

SAFE HARBOR CONTRIBUTION (MATCH OR NON-ELECTIVE PROFIT SHARING)

- Not applicable. We do not have a safe harbor contribution in our plan.
- Maybe Safe Harbor** – our plan is a “maybe” safe harbor. We will not make a safe harbor non-elective profit sharing contribution this year.
- Safe Harbor Match**
- We made the safe harbor match contribution throughout the plan year.
- We will make the safe harbor match contribution by _____ (date).
- Safe Harbor Non-Elective Profit Sharing**
- We made the safe harbor non-elective profit sharing contribution throughout the plan year.
- We will make the safe harbor non-elective profit sharing contribution by _____ (date).

Who is to calculate the allocation? Choose one.

- Alerus will calculate the allocation and submit to us for verification by _____ (date).
- We will calculate the allocation and submit to Alerus for deposit to participant accounts.

2 – EXCLUDED EMPLOYEES

Federal law permits plans by their terms to exclude certain employees. For compliance testing purposes, we must obtain relevant information on all employees, regardless of if they are excluded. Please provide us with information regarding the following classes of employees. Note: if your business is a member of a related group of entities (i.e., “Controlled Group” or “Affiliated Service Group” as defined by the IRS), include all employees of all related entities.

	No	Yes - number
Do you have leased employees or staffing firm employees who worked substantially on a full-time basis for at least one year and who performed services under your primary direction or control within the meaning of Code 414(n)(2)?	<input type="checkbox"/>	
Do you have union employees?	<input type="checkbox"/>	
If you have union employees, are any union employees covered by this plan?	<input type="checkbox"/>	
Do you have non-resident alien employees with no U.S. source of income?	<input type="checkbox"/>	
Do you exclude certain classifications of employees from your plan?	<input type="checkbox"/>	

3 – UNION CONTRACTS

Is this plan established or maintained pursuant to one or more collective bargaining agreements of which retirement benefits were the subject of good faith bargaining?

- No
 Yes

4 – PARTIAL PLAN TERMINATION

A partial plan termination may occur if you have significant terminations of employees (generally 20% or more). The exact computation is complex and more fully explained at [irs.gov/retirement-plans/retirement-plan-faqs-regarding-partial-plan-termination](https://www.irs.gov/retirement-plans/retirement-plan-faqs-regarding-partial-plan-termination). If a partial plan termination occurred, then the plan must fully vest the affected terminated participants. Did a partial plan termination occur during the plan year?

- No
 Yes. Alerus will contact you to discuss.
 Unsure. Contact Alerus to discuss.

5 – TIMELY SUBMISSION OF EMPLOYEE DEFERRALS [401(k)/403(b)] AND LOAN PAYMENTS

Form 5500 asks, “Did the employer fail to remit any participant contributions within the maximum time period described in 29 CFR 2510.3-102?” Under Department of Labor regulations, an employer must remit contributions (deferrals and loan payments) as soon as they can reasonably be segregated from the employer’s general assets. Late contributions are a prohibited transaction and subject to excise tax and lost earnings which must be paid by the employer. Generally, it is best practice to submit deferrals and loan payments on the same date that you pay your employees or as soon as practical thereafter. Please check and complete one of the following:

- All participant contributions and loan payments were timely, (i.e., remitted as soon as they could reasonably be segregated from the company’s assets).
 Participant contributions and loan payments were not remitted timely – attach explanation.

6 - OUTSIDE INVESTMENTS

To properly complete Form 5500, the plan must report the value of all plan assets, including those assets that may be held by other vendors. Alerus has values for assets in our custody. Does the plan have any investments held by a trustee/custodian other than Alerus?

- No
 Yes - attach explanation and copies of statements if they have not already been provided to Alerus.

7 - PLAN AUDIT

If your plan has more than 100 participants with balances, it may be required to obtain a large plan audit by an independent accounting firm. If your plan is subject to the large plan audit requirement, provide the information below:

N/A	Auditor name	Auditing firm name	Date of scheduled audit, if known
<input type="checkbox"/>			

- We are a participating employer of a PEP plan. The PPP will be responsible for engaging an auditor.

Submission of large plan audit report. The Department of Labor (DOL) has increased its monitoring of Form 5500 filings for “large plans” which require an accountant’s opinion on Schedule H. In the past, if a problem prevented the accountant from completing the opinion by the due date, some accountants would attach a pdf explanation and still have the employer E-file to meet the deadline. The DOL considers this approach deficient. In addition, it may be misleading since the EFAST filing system views the submission as complete, even though it is missing the opinion. For this reason, employers and their accountants should make every effort to complete the large plan audit on time. Alerus will not E-file for a large plan unless the accountant’s opinion has been completed.

8 - FORM 5500

Name of person signing and filing Form 55500	Email address of person signing and filing Form 5500
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N/A – we are a participating employer of a PEP plan.

9 - PLAN AMENDMENTS

Were there any plan amendments made during the plan year?

- No
- Yes - attach explanation of change and provide a copy of the amendment.
- N/A – our plan uses an Alerus sponsored IRS pre-approved document. Alerus has this information on file.

10 - BONDING

The DOL requires plans to carry a fidelity bond. Generally, the amount of the bond may not be less than 10% of the balance of the amount of the assets handled by covered individuals during the last plan year, with a minimum of \$1,000 and a maximum bond amount of \$500,000 (or \$1 million for plans that hold employer securities, such as an ESOP). In some instances where an independent trustee is not used, the bonding requirement may be 10% of the total assets of the plan subject to the minimum/maximum limitations. Does your plan maintain a fidelity bond?

- N/A – we are a participating employer of a PEP plan.
- No – we are not bonded (attach explanation).
- Yes - we carry a fidelity bond. Provide the following information:

Name	Amount of bond
	\$
Was any insured loss discovered in the past year?	
<input type="checkbox"/> No <input type="checkbox"/> Yes. If yes, attach explanation.	

11 - UNRELATED BUSINESS TAXABLE INCOME

Although plans are generally exempt from taxation, there is an exception for unrelated business taxable income (UBTI). If the plan has UBTI, it must file a separate tax return on Form 990-T and pay income tax on the UBTI. The rules for determining UBTI are complex and Alerus cannot make the determination for the plan. If the plan invests in partnerships, limited partnerships, sub chapter S stock, limited liability companies, or other entities which are “pass through” tax entities, it may have UBTI. In addition, if the plan receives a K-1 from the investment, it may be an indication that the plan has UBTI. UBTI includes unrelated debt financed income (UDFI). UDFI can be generated by stock which is purchased on margin or other forms of debt financing. If the plan has or suspects that it has UBTI, it must arrange with its accountants to identify UBTI and file the appropriate tax return. Did your plan incur unrelated business taxable income?

- No
- Yes – attach explanation. We understand that Alerus is not responsible for any UBTI tax reporting.
- Uncertain, the company will consult our accountants. If determined that the company has UBTI, we understand that Alerus is not responsible for any UBTI tax reporting.

12 - BUSINESS ENTITY/CODE INFORMATION

What type of entity do you use to conduct your business?
<input type="checkbox"/> Corporation <input type="checkbox"/> Limited liability company partnership <input type="checkbox"/> S corporation <input type="checkbox"/> Sole proprietorship <input type="checkbox"/> Other:
Business code – plans new to Alerus must provide your business code (as stated on your corporate tax return); same code is needed for Form 5500.
<input type="checkbox"/> Alerus previously prepared Form 5500.

13 - ADDITIONAL RETIREMENT PLANS

If your business or a member of a related group of entities, (i.e., “controlled group” or an “affiliated service group” as defined by the IRS), maintains more than a single retirement plan, it requires combined compliance testing. Alerus does not do combined compliance testing unless specifically contracted. Does your company currently maintain another retirement plan?

- No
- Yes - complete the following for each plan:

Name	Plan number	Type of plan	Date terminated (if applicable)

If you listed additional retirement plans, do you expect Alerus to complete combined compliance testing?

- No - we understand that we will notify Alerus in writing if there are corrections needed on the Alerus prepared compliance tests based on the combined testing.
- Yes

OWNERSHIP AND OFFICER INFORMATION

If more space is needed for any of the below categories, please include an attachment with the information.

PURPOSE OF THIS INFORMATION

In order for Alerus to complete valid compliance testing, you must provide us with ownership and officer information for all individuals and entities. "Entities" are defined as corporations, limited liability companies, partnerships, limited partnerships, sole proprietorships, or other business entities. In addition, if your business is a member of a related group of entities (i.e., "Controlled Group" or "Affiliated Service Group" as defined by the IRS), you must provide us with information on all individuals and related entities.

1 - SHAREHOLDERS

Please list all owners of the sponsor of your retirement plan and related entities.

Name	Entity name	Ownership percentage	Employee?
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No

Was there any change in ownership interest or business structure (sale, purchase, merger, gifting of interests) since the beginning of this plan year?

No

Yes. If so, please describe the change or attach explanation: _____

2 – OFFICERS

Compensation level in excess of \$215,000 in the 2023 plan year.

List all officers of the sponsor of your retirement plan and related entities meeting compensation level above. Whether someone is or is not an officer is not determined solely by title. A person's status as an officer is a facts and circumstances determination, considering such indicators as the source of the employee's authority, the term for which the employee is elected or appointed, and the nature and extent of the employee's duties. Treasury regulations indicate that an officer is someone who is an administrative executive in regular and continued service with the employer and not someone who is employed for a special and single transaction. If someone has a nominal title of an officer but very little authority (such as many bank officers), that person is not an officer. Similarly, someone with no title who fulfills the role of an administrative executive would be an officer.

Name	Entity name	Officer title

3 - FAMILY MEMBERS WHO ARE EMPLOYEES

Employees who are family members of owners (identified in item 1 above) may be considered highly compensated employees or key employees for certain compliance testing purposes. Provide the following information for each employee who is a family member of an owner of your retirement plan and related entities.

Name	Name of family member/employee	Relationship	Entity name

4 - HIGHLY COMPENSATED EMPLOYEE INFORMATION

Compensation level in excess of \$135,000 in the 2022 plan year for the 2023 plan year compliance tests.

For purposes of compliance testing, employees who had compensation in excess of certain limits are considered “highly compensated employees.” These are employees of the plan sponsor or any other entity which is part of a controlled or related group meeting the compensation level listed above (prior year compensation is one determination of a highly compensated employee). Check appropriate box below:

- Prior year’s compliance tests were prepared by Alerus, see prior year’s census file. No need to complete list below.
- Prior year’s compliance tests were prepared by a prior provider, or this is an initial testing year (start-up plan). The employees listed below met compensation level listed above.

Employee name	Entity name	2022 gross compensation

5 - OTHER RELATED ENTITIES

If the entity or certain individuals have sufficient overlapping interests in one or more other trades or businesses, the Internal Revenue Code (“code”) may define this overlapping ownership arrangement as a controlled group, affiliated service group or other related group (“related group”). Generally, if a related group exists, the code will treat the arrangement as a single employer. All employees of the related group must be considered for various non-discrimination and other compliance tests. In addition, if other members of a related group offer retirement benefits, then that benefit structure may impact your plan. The existence of a related group may create new or increased plan benefit obligations to certain employees not anticipated by the employer. The plan sponsor must make the final determination if a related group exists and notify Alerus in writing of the existence and composition of the related group. Alerus is not responsible for the benefit costs, damages, fines, penalties, taxes, or other liability that may result from the existence or non- existence of a related group. The purpose of this section is to obtain a general overview of the issue. Please answer the following questions:

Controlled group – review if the owners of your entity own other entities.

- Yes – We are a part of a controlled group. If yes, complete the related entity summary.
- No – We are not part of a controlled group. There are no related entities.

Affiliated service group (ASG)

- Yes – We are a part of an ASG. If yes, complete the related entity summary.
- No – We are not part of an ASG.

Qualified separate line of business (QSLOB)

- Yes – We have or intend to file IRS Form 5310-A notice of qualified separate lines of business. If yes, complete the related entity summary.
- No – We are not considered a qualified separate line of business.

Was there any change in controlled group, affiliated service group, and/or qualified separate line of business since the beginning of this plan year?

- No
- Yes. If so, please describe the change or attach explanation: _____

RELATED ENTITY SUMMARY

Complete if your company is part of a controlled group, affiliated service group, or made a qualified separate line of business filing.

1 - CONTROLLED GROUP OF ENTITIES

List below all entities that are part of the controlled group.

Entity name	Covered by plan?
	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> Yes <input type="checkbox"/> No

Have you provided a complete employee census for each entity in the controlled group?

- Yes
 No. Note: Alerus cannot complete compliance testing without census information for all controlled group entities.

Does any entity in the controlled group sponsor a retirement plan in addition to the Alerus administered plan?

- Yes – If so, please contact your Alerus representative to discuss combined plan testing. Alerus does not complete combined testing without a signed written engagement.
 No.

2 - AFFILIATED SERVICE GROUP (ASG)

List below all entities that are part of the ASG.

Entity name	Covered by plan?
	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> Yes <input type="checkbox"/> No

Have you provided a complete employee census for each entity in the ASG?

- Yes
 No. Note: Alerus cannot complete compliance testing without census information for all ASG entities.

Does any entity in the ASG sponsor a retirement plan in addition to the Alerus administered plan?

- Yes – If so, please contact your Alerus representative to discuss combined plan testing. Alerus does not complete combined testing without a signed written engagement.
 No.

3 - QUALIFIED SEPARATE LINE OF BUSINESS (QSLOB)

Please indicate the following:

- No – We are not a Qualified Separate Line of Business.
 Yes – We have filed IRS Form 5310-A and meet the IRS criteria for a qualified separate line of business. Please provide a copy of the filed Form 5310-A and list the entities that comprise the related group.

SIGNATURE

I hereby certify that I am authorized to respond to these questions on behalf of the employer/plan sponsor. The information provided on this form is true and accurate to the best of my knowledge and belief. Alerus may rely upon it for all purposes. I understand that incorrect data could lead to processing delays, incorrect administration, errors in tax reporting and/or fees incurred for Alerus' need to correct or redo work. If this form is submitted to Alerus via an electronic medium, it shall constitute an electronic record. The upload or emailing of this form to Alerus constitutes the undersigned's electronic signature.

_____ Signature	_____ Name (print)
_____ Title	_____ Date
_____ Telephone number	_____ Email address

Thank you for completing the form. Please return it to your account administrator. To upload the form, log into your plan on employer plan access. Go to **Manage My Site** and select **Submit Files**. Use the Compliance Information file type from the dropdown menu.